

The background of the header section is a faded, blue-tinted image of the U.S. Capitol building in Washington, D.C., showing its iconic dome and neoclassical architecture.

House and Senate Diverge on Tax Provisions in Reconciliation Package

Read Time: 6 minutes, 45 seconds

The Senate Finance Committee on June 16 released its version of reconciliation legislation that includes a number of provisions that would support rental housing providers' ability to deliver housing that is affordable. While the proposal is in many respects similar to the One Big Beautiful Bill Act the House of Representatives passed in May, there are also consequential differences.

While a full, preliminary comparison of provisions in the House-passed bill and Senate Finance Committee proposal are presented below, both bills address [NMHC and NAA goals](#) to address housing supply constraints, making permanent expiring ordinary income tax rates and the deduction for qualified business income (with the House-passed bill increasing the deduction to 23 percent), as well as permanently enhancing the estate tax exclusion amount to \$15 million.

While the timing for full Senate consideration of reconciliation legislation remains in flux, it is possible the chamber could consider the measure as early as next week. As the Senate Finance Committee proposal moves to the floor, changes to provisions are also expected. While we support many of the provisions in the package, we will be sharing our concerns with Senate lawmakers about cutbacks to the deductibility of business income taxes and potential tax increases on foreign investors contained in the Senate Finance Committee proposal. Given widespread housing unaffordability and our shared goal with the administration of

addressing our nation's housing shortage, lawmakers must consider how policies might affect housing providers' ability to deliver affordable housing.

Members, [click through](#) for a preliminary description of the key tax provisions in the House-passed One Big Beautiful Bill Act and legislation proposed by the Senate Finance Committee.



NMHC Members: Industry Compensation Survey Live

The 2025 Industry Compensation Survey is now live. Participate to gain access to current compensation benchmarks and practices for over 150 corporate, regional and on-site roles. Your input helps ensure the data reflects today's market and supports strategic talent decisions. [Click here to participate.](#)

Industry Topic Updates

Some articles linked within this section of the newsletter are exclusively available to NMHC members. Gain access to these resources, and more, by becoming a member. [Click here to learn more about joining NMHC.](#)

ADVOCACY UPDATES

- **[NMHC Members Break Down Barriers to Housing Development](#)**: At the NMHC Spring Meeting's closing session, more than 40 members and staff participated in peer-led roundtable discussions focused on surfacing actionable strategies to expand the supply of workforce housing. These small-group conversations were designed to capture a range of perspectives from across the multifamily industry—

investors, developers, operators, and policy experts—on the opportunities and challenges shaping this sector. This document serves as a shared summary of each roundtable’s discussion.

- **Housing Victories in Colorado**: This year, the Housing Solutions Coalition (HSC) ran several state-level campaigns, including a highly successful engagement in CO that saw numerous pro-housing wins. To help secure these victories, HSC created “Coloradans for Housing Access,” a statewide coalition formed to support practical housing solutions and stop legislation that would worsen the housing shortage in Colorado. We are excited to share a recently published case study, “[Coloradans for Housing Access: Advancing Smart, Affordable Housing Solutions](#),” which proves that smart organizing and strategic advocacy can deliver real results.
- **NMHC Leads Real Estate Industry Letter to House and Senate Appropriations Committees on FY26 Appropriations**: The letter urged the committee to reconsider cuts to the HUD budget that would be inconsistent with the administration's shared goal of increasing supply to address the housing shortage. Particularly, it is critical that housing support and affordability programs such as the Section 8 Housing Choice Voucher Program and Project Based Rental Assistance remain funded and supported.



TECHNOLOGY POLICY UPDATES

- **Congress Weighs AI Regulation Pause Amid Growing Debate**: Last month, the House-passed budget bill included a provision that would ban state enforcement of laws regulating artificial intelligence for 10 years. The provision, however, faces significant procedural challenges in the Senate, as lawmakers continue to explore how best to balance regulation with protecting AI innovation.
- **State and Federal Actions Reflect Growing Momentum for Artificial Intelligence**: As Artificial Intelligence continues to grow in use across the broader economy, how best to regulate it remains front and center for policymakers at all levels of government. Several key developments have emerged at both the federal and state levels in recent weeks that are of importance to rental housing providers and our technology partners.



REGULATORY UPDATES

- **HOTMA Final Rule Compliance Date Extended**: On June 3, 2025, HUD's Office of Multifamily Housing Programs extended the deadline for compliance with the Housing Opportunity Through Modernization Act of 2016 (HOTMA) from July 1, 2025, to January 1, 2026, for all owners participating in HUD Multifamily project-based rental assistance programs.
- **May Rent Control Policy Updates**: NMHC's Advocacy Action Program (AAP), in coordination with the Housing Solutions Coalition (HSC), is tracking legislative action relating to rent stabilization or rent control, and renter protection policies.

Upcoming Events and Webinars

Open Events

2025 Q3 State of the Multifamily Market Webinar | July 21

NMHC Members-Only Events

Fall Board of Directors Meeting | Sept. 15-17

RETTTC Members-Only Events

RETTTC OnAir: PolicyStack Webinar | June 23

NMHC Members: The list doesn't stop here—log in to your member account and access other exclusive, member-only meeting and registration details.

More to Explore

Trump Budget Proposal Seeks to Slash HUD Funding

ICYMI: Behind the High Cost of Rent

"The administration's fiscal 2026 request calls for a massive 44% cut to the Department of Housing and Urban Development (HUD) budget. It also proposes consolidating five of largest rental assistance programs into a single state-run block grant while imposing a two-year limit on assistance, according to housing leaders who are closely watching the budget proposal that was released May 30."

[READ MORE](#)

"Local regulations aimed at protecting tenants have had significant financial implications for multifamily housing providers. This study—sponsored by NMHC and the National Apartment Association (NAA) and authored by Daniel Shoag, Ph.D. and Issi Romem, Ph.D. of MetroSight—examines how some overly stringent operational regulations impact costs, revenues and, ultimately, housing supply. While these regulations are intended to enhance housing stability, in actuality they often increase costs for property owners and can lead to higher rents and reduced investment in new housing."

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